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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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EXAMINER	
TINKLER, MURIEL S	
ART UNIT	**PAPER NUMBER**
3691	

MAIL DATE	DELIVERY MODE
10/31/2007	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)	
	10/055,289	CLARKSON, GAVIN	
	Examiner	Art Unit	
	Muriel Tinkler	3691	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *13 August 2007*.

2a)☒ This action is **FINAL**. 2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-15* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-15* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____.
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

This application has been reviewed. Claims 1-15 are pending. The rejection(s) are given below.

Claim Objections

1. Claim 2 is objected to because of the following informalities: Claim 2 has been amended but is labeled as 'Previously Presented'. Appropriate correction is required.

Response to Amendment

2. The applicant has amended claims 2, 3 and 5-11. The Examiner has accepted these amendments for review.

3. The Applicant has added new claims 12-15. The Examiner has accepted these amendments for review.

Response to Arguments

4. Applicant's arguments filed August 13, 2007 have been fully considered but they are not persuasive. The Applicant argues that the application looks at the specific contribution to profit of the intangible asset, while Hagelin does not. The Applicant further goes on to say that, "The Hagelin disclosure does not teach and does not suggest a system which looks at the intellectual asset stripped from the overall product,

[and] it cannot provide a value analysis for the intellectual product. The Examiner disagrees citing paragraphs 40-43 and 60. In Hagelin, the intellectual asset **is** the intellectual product. The value of the intellectual asset is not solely based on commercial success. Thus, simply because Hagelin allows for an additional focus on commercial success. On the contrary, Hagelin does teach a value analysis for an intellectual product as shown in the paragraphs cited above.

Claim Rejections - 35 USC § 102

5. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless –
>
> (a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

6. Claims 1-4 and 15 are rejected under 35 U.S.C. 102(a) as being anticipated by Hagelin (2002/0077835 A1).

7. Claims 1-4 disclose a method for calculating the optimum value of an intellectual asset comprising the steps of: a. determining the contribution to profit of intangible assets; b. deleting the contribution of assets other than intellectual assets from this contribution; c. deriving a base royalty rate from the difference.

- Hagelin discloses calculating the optimal value of an intellectual asset in the abstract, page 1 and paragraphs 7-11 and page 2 and paragraphs 12-15.

- Hagelin discloses determining the contribution to profit of intangible assets on page 2 and paragraph 20, page 1 and paragraph 8, page 3 and paragraphs 40-43, page 5 and paragraph 60-61, page 9 and paragraph 97, and claim 2.
- Hagelin discloses deleting the contribution of assets other than intellectual assets from this contribution on page 1 and paragraphs 9 and 11.
- Hagelin discloses deriving a base royalty rate from the difference on page 2 and paragraphs 19-20 and 23.

8. Claims 2 and 15 disclose the method of claim 1, wherein the contribution to profit of intangible assets is based on publicly available information and private company information. Hagelin discloses valuing intellectual property by the use of public and private data on page 1 and paragraphs 7-11.

9. Claim 3 discloses the method of claim 1, wherein the contribution to profit of intangible assets is based on an industry average (or median). Hagelin discloses the use of an industry average in the abstract, page 1 and paragraph 8, page 2 and paragraph 13, page 4 and paragraph 52,

10. Claim 4 discloses the method of claim 1, wherein the contribution to profit of intangible assets is calculated by first calculating the weighted average of cost of capital. Hagelin discloses the use of a weighted average of cost of capital on page 5 and paragraph 60, page 6 paragraph 64, and page 1 and paragraph 9.

Claim Rejections - 35 USC § 103

11. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

12. Claims 5-14 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hagelin (US 2002/0077835 A1) in view of common knowledge.

13. Claim 5 discloses the method of claim 4, wherein the weighted average of cost of capital (WACC) is derived, using the following formula: WACC=E(Ri)+D(Ri)=Rf+.beta-..times.E(Rp)+i.times.(1-t) where E(Ri)=expected rate of return for equity investors D(Ri)=expected rate of return for debt investors Rf=risk free rate of return .beta.=beta or systematic risk E(Rp)=expected risk premium i=interest rate on debt t=effective federal and state tax rate. Hagelin disclose the total weighted competitive advantage as the sum of the competitive advantage on page 5 and paragraph 54. Hagelin does not specifically disclose the use of a weighted average cost of capital, but does disclose the use of parameter groups with sub parameters, where the parameters groups are a sum of the sub-parameters on page 4 and paragraphs 44-53. Therefore it would have been obvious to a person having ordinary skill in the art at the time the invention was made to

modify Hagelin to use Hagelin's format of a weighted average calculation and substitute the use of 'complimentary intellectual property assets' for the 'cost of capital' to obtain a repeatable and efficient way to obtain these values.

14. Claims 6-9 disclose the formulas pertaining to weighted averages for claim 5. See the rejection for claim 5, particularly paragraph 46.

15. Claims 10 and 11 disclose the method of claim 1, wherein the contribution to profit of intellectual assets (CPIPIA) is calculated by subtracting the industry average (or median) distributor CPIA from the CPIA value for a given firm and from the average (or median) manufacturer CPIA value for a given industry. See paragraphs 8, 13, 52, 60, 64, 72 and 72, claim 11 and claim 20 of Hagelin. Also so the rejections of claims 5-9 above.

16. Claim 12 discloses the method of claim 1, wherein the contribution to profit of the intangible assets is based on industry median. See the rejection of claim 3 above. While Hagelin does not disclose the words industry median, Hagelin does disclose the use of an industry average. Therefore, it would have been obvious to a person having ordinary skill in the art at the time the invention was made to modify Hagelin to perform a simple substitution of industry average for industry median to yield a predictable result, that result being similar (or close to) to the industry average.

17. Claim 13 discloses the method of claim 1, wherein the contribution to profit of intangible assets (CPIPIA) is calculated by subtracting an industry median distributor CPIA from the CPIA value for a given firm. See the rejection of claim 10 above. Therefore, it would have been obvious to a person having ordinary skill in the art at the time the invention was made to modify Hagelin to perform a simple substitution of industry average for industry median to yield a predictable result, that result being similar (or close to) to the industry average.

18. Claim 14 discloses the method of claim 1, wherein the contribution to profit of intangible assets (CPIPIA) is calculated by subtracting an industry median distributor CPIA from the median manufacturer CPLA for a given industry. See the rejection of claim 11 above. Therefore, it would have been obvious to a person having ordinary skill in the art at the time the invention was made to modify Hagelin to perform a simple substitution of industry average for industry median to yield a predictable result, that result being similar (or close to) to the industry average.

Conclusion

19. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within

TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Muriel Tinkler whose telephone number is (571)272-7976. The examiner can normally be reached on Monday through Friday from 7:30 AM until 4 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on (571)272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

MT
October 17, 2007

HANI M. KAZIMI
PRIMARY EXAMINER